

## **FISCAL NOTE**

### **HB 382 - SB 561**

February 12, 2005

#### **SUMMARY OF BILL:**

1. Amends the current statutory definition of *contribution*, as it relates to the solicitation of charitable funds, to exclude revenue that is generated by a community fair, county fair, district fair, or division fair, if such community fair, county fair, or division fair is eligible for state aid grants ("agricultural fairs"); and
2. Exempts community fairs, county fairs, district fairs, and division fairs eligible for state grants from the registration requirements for charitable organizations.

#### **ESTIMATED FISCAL IMPACT:**

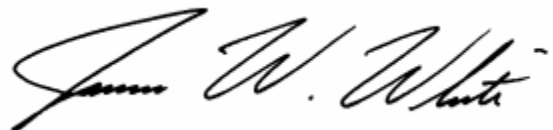
**Decrease State Expenditures – Not Significant**  
**Decrease State Revenues – Less than \$20,000**

##### Assumptions:

- Decrease in state expenditures from mailing fewer notifications to organizations that no longer would be required to register with the Secretary of State. However, such decrease is estimated to be not significant.
- Decrease in state revenues from the loss of a registration fee from such organizations that no longer are required to file. The Internal Revenue Code exempts civic organizations and fair boards from taxation pursuant to I.R.C. 501c(4). At present, 120 of these organizations register their fundraising activities with the Secretary of State's Office and pay a registration fee of \$300 each. Assuming 50% of these organizations would be exempt from registration under the bill, the decrease in state revenues is estimated to be approximately \$18,000 due to the revenue loss from the registration fee from an estimated 60 organizations.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



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James W. White, Executive Director